

110TH CONGRESS
1ST SESSION

S. 426

To provide that all funds collected from the tariff on imports of ethanol be invested in the research, development, and deployment of biofuels, especially cellulosic ethanol produced from biomass feedstocks.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2007

Mr. NELSON of Nebraska introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To provide that all funds collected from the tariff on imports of ethanol be invested in the research, development, and deployment of biofuels, especially cellulosic ethanol produced from biomass feedstocks.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Biofuels Investment
5 Trust Fund Act”.

6 **SEC. 2. BIOFUELS INVESTMENT TRUST FUND.**

7 (a) ESTABLISHMENT.—

1 (1) IN GENERAL.—There is established in the
2 Treasury of the United States a trust fund, to be
3 known as the “Biofuels Investment Trust Fund”
4 (referred to in this Act as the “Trust Fund”), con-
5 sisting of such amounts as may be transferred to the
6 Trust Fund under paragraph (2).

7 (2) TRANSFER.—As soon as practicable after
8 the date of enactment of this Act, the Secretary of
9 the Treasury shall transfer to the Trust Fund, from
10 amounts in the general fund of the Treasury, such
11 amounts as the Secretary of the Treasury deter-
12 mines to be equivalent to the amounts received in
13 the general fund as of January 1, 2007, that are at-
14 tributable to duties received on articles entered
15 under heading 9901.00.50 of the Harmonized Tariff
16 Schedule of the United States.

17 (b) EXPENDITURES FROM TRUST FUND.—

18 (1) IN GENERAL.—The Secretary of Energy, in
19 consultation with the Secretary of Agriculture and
20 the Secretary of the Treasury, shall use amounts in
21 the Trust Fund to provide financial assistance for
22 research, development, and deployment programs for
23 biofuels to increase the amount and diversity of
24 biofuels produced in the United States and made

1 available to consumers, especially for cellulosic eth-
2 anol production from biomass feedstocks.

3 (2) REQUIREMENTS.—The Secretary of Energy
4 shall ensure that amounts made available under
5 paragraph (1) shall be used only—

6 (A) to provide financial assistance to farm-
7 ers, producers, biorefiners, researchers, univer-
8 sities, and other persons or entities involved in
9 the research, development, deployment, or pro-
10 duction of biofuels, especially the production of
11 biomass feedstock for cellulosic ethanol produc-
12 tion; or

13 (B) as otherwise directed by Congress to
14 advance research, development, and deployment
15 of biofuels, especially cellulosic ethanol pro-
16 duced from biomass feedstocks.

17 (c) INVESTMENT OF AMOUNTS.—

18 (1) IN GENERAL.—The Secretary of the Treas-
19 ury shall invest such portion of the Trust Fund as
20 is not, in the judgment of the Secretary of the
21 Treasury, required to meet current withdrawals.

22 (2) INTEREST-BEARING OBLIGATIONS.—Invest-
23 ments may be made only in interest-bearing obliga-
24 tions of the United States.

1 (3) ACQUISITION OF OBLIGATIONS.—For the
 2 purpose of investments under paragraph (1), obliga-
 3 tions may be acquired—

4 (A) on original issue at the issue price; or

5 (B) by purchase of outstanding obligations
 6 at the market price.

7 (4) SALE OF OBLIGATIONS.—Any obligation ac-
 8 quired by the Trust Fund may be sold by the Sec-
 9 retary of the Treasury at the market price.

10 (5) CREDITS TO TRUST FUND.—The interest
 11 on, and the proceeds from the sale or redemption of,
 12 any obligations held in the Trust Fund shall be
 13 credited to and form a part of the Trust Fund.

14 (d) TRANSFERS OF AMOUNTS.—

15 (1) IN GENERAL.—The amounts required to be
 16 transferred to the Trust Fund under subsection
 17 (a)(1) shall be transferred at least quarterly from
 18 the general fund of the Treasury to the Trust Fund
 19 on the basis of estimates made by the Secretary of
 20 the Treasury.

21 (2) ADJUSTMENTS.—Proper adjustment shall
 22 be made in amounts subsequently transferred to the
 23 extent prior estimates were in excess of or less than
 24 the amounts required to be transferred.

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